Econometric assignment

Economics

UNIVERSITY OF MACAU FACULTY OF BUSINESS ADMINISTRATION BACHELOR'S DEGREE PROGRAMME ECIF311 ECONOMETRICS II Second Semester 2010-2011 Instructor Contacts P. S. Tam Office: L430 (Thursday 4: 00 p. m. – 7: 00 p. m. Or By appointment.) Phone: 8397-4756 Email: mo Friday 1: 00 p. m. – 4: 00 p. m. J207 http://webcourse. umac. mo Class Website Description: This course focuses on basic econometric techniques, emphasizing both technical derivations and practical applications. The linear regression model will be reviewed using matrix algebra, and its limitations addressed.

Topics on dynamic models, random regressors, simultaneous equations models, and time series econometrics will be covered. If time permits, panel data models and qualitative and limited dependent variable models will also be discussed. Upon completing this course, students are expected to be able to undertake their own econometric analysis. Prerequisite: ECIF310 or equivalent. In general, knowledge in basic economic theory, calculus, probability and statistics is required. Textbook: Hill, R. C. , Griffiths, W. E. , and Lim, G. C. Principles of Econometrics, Third Edition. John Wiley & Sons, Inc. 008. Griffiths, W. E. , Hill, R. C. , and Lim, G. C. Using EViews for Principles of Econometrics, Third Edition. John Wiley & Sons, Inc. 2008. (They are available from the university bookstore as a bundle with student discount.) Textbook website: http://as. wiley. com/WileyCDA/WileyTitle/productCd-EHEP001750. html? filter= TEXTBOOK. -1- References: Gujarati, D. N. , and Porter, D. C. Basic Econometrics. McGraw-Hill. Stock, J. H. and Wason, M. W. Introduction to Econometrics,

Pearson Higher Education. Wooldridge, J. Introductory Econometrics: A Modern Approach, South-Western Cengage Learning.

Software: EViews. EViews 6 Student Version comes with the textbook purchase. EViews 7 is available in the university computing network. Content: Topic Review of Matrix Algebra Matrix Approach to Linear Regression Model Heteroskedasticity Dynamic Models, Autocorrelation & Forecasting Random Regressors Writing an Empirical Research Report Simultaneous Equations Models Time Series Econometrics Panel Data Models Qualitative and Limited Dependent Variable Models Textbook Reference —- Chapter 8 Chapter 9 Chapter 10 Chapter 17 Chapter 11 Chapter 12, 13, 14 Chapter 15 Chapter 16

Assessment: Activity Assignments Empirical Project Mid-term Examination Final Examination TOTAL Weighting 10% 20% 30% 40% 100% -2- Take-home " assignments" will be given regularly. The " empirical project" is an empirical analysis based on an empirical journal paper. Students are to work in groups of 3. Each group will first select an empirical journal paper by February 25, and then make a 15-minute presentation of the paper in March. Extending on the journal paper, each group will conduct their own empirical analysis with the aid of EViews.

The written analysis is to be uploaded onto the course website by April 29. For problems on journal paper selection and the use of EViews, please contact the Graduate Assistant, Jenny Guo, atmo. The " mid-term examination" is scheduled on April 8. The " final examination" will take place in May according to the university examination schedule. -3-

Points to Note: A student is considered to be in attendance when he/she goes to his/her registered class meetings punctually and without early leave.

Absences are counted from the first class meeting. Students who are absent for more than 20% of the scheduled teaching period of the course will not be allowed to take the final examination and will receive a fail grade. In the case of sickness, medical certification from the hospitals or government clinics in Macau must be furnished as evidence. Certifications from private practitioners are NOT normally accepted. There will be no make-up exams except under very special circumstances. Duplication of assignments is strictly prohibited.

Overall grading is based on performance in the course activities as stated under the assessment section. These activities will be based in large part on the lecture materials. Lecture handouts/powerpoint slides are never perfect substitutes for lectures and readings. If you develop intense anxiety before the exam, or feel very upset after the exam, you are strongly recommended to consult a counselor from the Student Affairs Section. Scientific calculators, general dictionaries and one A4-sized formula sheet are allowed during exams.

News about the course will either be announced in class or posted on the course website. Please disable the sound of your mobile phones in class. Please do not read materials and conduct activities unrelated to the class materials. Please do not operate your notebook computer in class unless you prove that you must take electronic lecture notes. Please observe the

copyright issue in acquiring the requisite study materials. Photocopying more than 10% of a single book may constitute copyright infringement. -4-